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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/891,978

06/26/2001

Michael Roscoe

Hartford-4

1047

7590 05/04/2007  
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EXAMINER

CHENCINSKI, SIEGFRIED E

ART UNIT

PAPER NUMBER

3692

MAIL DATE

DELIVERY MODE

05/04/2007

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

## Office Action Summary

Application No.

09/891,978

Applicant(s)

ROSCOE ET AL.

Examiner

Siegfried E. Chencinski

Art Unit

3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 19 December 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 31-34 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 31-34 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- ☐ Notice of Informal Patent Application
- ☐ Other: \_\_\_\_\_

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

**1. Claim 31 is rejected under 35 U.S.C. 112, second paragraph**, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Newly amended claim element (b) "determining a net asset at a known time based on a performance return of each of said investment instrument" is vague and indefinite in the phrase element "determining a net asset at a known time". It is unclear what this limitations means. It is not known whether an asset is being identified at a known time, or perhaps what it may be something about a known asset which is to be determined at a known time, such as its value.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**2. Claims 31-34 are rejected** under 35 U.S.C. 103(a) as being unpatentable over Koppes et al. (US Patent 5,926,792, hereafter Koppes) in view of Champion et al. (US Patent 5,126,936, hereafter Champion) and Parsons (US Patent 65,411,939 B1).

**PLEASE NOTE:** Due to the rejection of claim 31 under 35 USC 112, second paragraph, for purposes of examination the examiner is adding the word "value" to currently amended element (b) of this claim so that the claim element reads "determining a net asset value at a known time based on a performance return of each of said investment instrument".

**Re. claim 31,** Koppes discloses a method and system to track, reconcile and administer

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the values of life insurance policies in separate accounts. Targeted funds are translated into unit values on a daily basis for each fund. Additionally, the system tracks restrictions (e.g. timing, account reallocations) on a premium by premium basis, and tracks the book value, market value, duration and targeted return on a client-by-client basis (Abstract). Koppes further discloses the periodic determining of policy values (daily – Col. 5, ll. 1-11, 39, 53), the imposing of administrative fees for each premium paid in (Col. 4, ll. 66-67), and the charging of performance fees on asset performance (Col. 1, l. 57), and the determining of net asset values for each investment instrument and the adjusting of the current number of insurance units at a selected date (daily – Col. 5, ll. 39, 53)

Koppes does not explicitly disclose

- the imposing of one time administrative fees deducted from premiums as they are paid in prior to investment.
- the charging of performance fees on positive asset performance growth only if the change in investment value is positive.

However, Parsons discloses the charging of administrative fees passed assessed to investor participants prior and being deducted prior to the investment of funds (Col. 46, ll. 31-43; Col. 60, ll. 57-62).

Further, Champion discloses the charging of performance fees contingent on financial asset value performance over set periods of time (Col. 11, ll. 26-27).

Therefore, an ordinary practitioner of the art at the time of Applicant's invention would have found it obvious to combine the disclosures of Koppes, Champion and Parsons in order to construct a method for determining life insurance policy values, motivated by a desire to provide methods and systems capable of tracking and reporting assets and liabilities on a near real-time basis, making administration simple, keeping costs low, and providing timely information to plan participants and sponsors (Koppes, Col. 4, ll. 18-24, 28-30 & 31-32).

**Re. claim 32**, Koppes discloses a method wherein said performance fee includes a fee for investment management and performance. (See the rejection of claim 31).

**Re. claim 33**, Koppes discloses the use of policy anniversary dates for triggering a

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particular event (Col. 6, l. 30; Col. 14, l. 23). It would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention to have used an anniversary date as a selected date for determining life insurance policy value.

**Re. claim 34**, the disclosures by Koppes, Champion and Parsons regarding the determining of life insurance policy values are stated in the rejection of independent claim 31 above. It would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention to have deduced from the Koppes teaching the method for determining a life insurance policy value comprising the steps of: (a) calculating a gross net asset value; (b) deducting an investment expense; (c) calculating a cost of insurance; (d) calculating a number of units for the cost of insurance charge; (e) calculating an investment gain or loss; and if the investment gain is positive then calculate an incurred performance fee otherwise set the performance fee to a fixed value. Therefore, an ordinary practitioner of the art at the time of Applicant's invention would have found it obvious to combine the disclosures of Koppes, Champion and Parsons in order to construct a method for determining life insurance policy values, motivated by a desire to provide methods and systems capable of tracking and reporting assets and liabilities on a near real-time basis, making administration simple, keeping costs low, and providing timely information to plan participants and sponsors (Koppes, Col. 4, ll. 18-24, 28-30 & 31-32).

### ***Response to Arguments***

3. Applicant's arguments filed December 19, 2006 with respect to claim 31 have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

4. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

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If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Richard E. Chilcot, can be reached on (571) 272-6777.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

*Commissioner of Patents and Trademarks, Washington D.C. 20231*

or faxed to:

(571) 273-8300 [Official communications; including After Final communications labeled "Box AF"]

(571) 273-6793 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC

April 25, 2007

  
RICHARD E. CHILCOT, JR.  
SUPERVISORY PATENT EXAMINER